

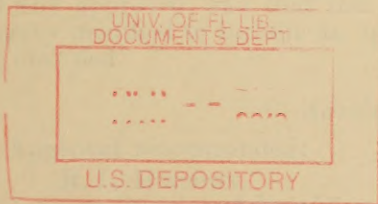
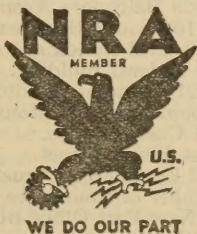
NATIONAL RECOVERY ADMINISTRATION

AMENDMENT TO
CODE OF FAIR COMPETITION


FOR THE

LIGHT SEWING INDUSTRY
EXCEPT GARMENTS

AS APPROVED ON JUNE 29, 1934



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Approved Code No. 226—Amendment No. 3

AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

LIGHT SEWING INDUSTRY EXCEPT GARMENTS

As Approved on June 29, 1934

ORDER

MODIFICATION OF CODE OF FAIR COMPETITION FOR THE LIGHT SEWING
INDUSTRY EXCEPT GARMENTS

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a modification of a Code of Fair Competition for the Light Sewing Industry Except Garments, and hearings having been duly held thereon and the annexed report on said modification, containing findings with respect thereto; having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate, by reference, said annexed report and do find that said modification and the Code as constituted after being modified comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act, and do hereby order that said modification be and it is hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as modified.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

R. L. HOUSTON,
Division Administrator.

WASHINGTON, D.C.,
June 29, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,

The White House.

SIR: This is a report on the hearing on an amendment to the Code of Fair Competition for the Light Sewing Industry Except Garments, held in Room 109 of the Raleigh Hotel on April 26, 1934. The amendment, which is attached, was presented by the Divisional Committee.

In accordance with the customary procedure, every person who had filed request for an appearance was freely heard in public, and all statutory and regulatory requirements were complied with.

The amendment consists of several additional unfair trade practices including a prohibition against selling below cost when, and if, a standard system of cost accounting or estimating is approved by the Administrator. The amendment also provides that learners may be employed for a period of not more than four (4) weeks at 80% of the minimum wage but limits the number of learners to 10% of the total number of employees.

FINDINGS

The Deputy Administrator in his final report to me on said amendment to said Code having found as herein set forth and on the basis of all proceedings in this matter:

I find that:

(a) The amendment to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof.

(c) The Code empowers the Divisional Committee to present the aforesaid amendment on behalf of the Division as a whole.

(d) The amendment and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(e) The amendment and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said amendment.

For the above reasons this amendment has been approved by me.

HUGH S. JOHNSON,
Administrator.

JUNE 29, 1934.

AMENDMENT TO CODE OF FAIR COMPETITION FOR THE LIGHT SEWING INDUSTRY EXCEPT GARMENTS

Division No. 5, Fabric Auto Equipment Division, shall be amended as follows:

There shall be added to Article II—Trade Practices—the following provisions:

“(j) To make any allowance or discount for advertising or for payment for space in newspapers, magazines, guides, or directories on behalf of any retailer and/or wholesaler to be used in promoting the sale of merchandise to the consumer in excess of one-half of the cost of the advertising; providing, however, that payment for such advertising shall not be made until a copy of the publication containing the advertising together with receipted bill therefor is presented to a member of the Division. The supplying of cuts, matrices, or window cards shall not be included in such prohibition. Nothing herein, however, shall prohibit any member of the Division from nationally or generally advertising his merchandise.

“(k) To make a contract for a definite quantity of advertising tire covers at a stipulated price and to deliver a smaller quantity without charging the regular price applying to the quantity delivered.

“(l) To accept orders for future requirements which do not make provision for quantities, excepting that an average or underage of 10% is allowed.”

Section (h) of Article II shall be amended to read as follows:

“Selling on more liberal terms than 2%, 10 days E.O.M., net 30 except that dating on seasonable merchandise may be allowed, but anticipation shall not be allowed at a rate of more than ½ of 1% per month.”

There shall be added an Article III as follows:

“When a standard system of cost accounting and methods of cost finding and/or estimating capable of use by all members of the Division is prepared by the Divisional Committee and approved by the Administrator, full details concerning said system shall be made available to all members of the Division. Thereafter, all members of the Division shall determine and/or estimate costs in accordance with the principles of such methods.

“Following the approval of such system no member of the Division shall sell or exchange or offer to sell any product of the Division below his own cost of making such product, except to meet the competition of any member of the Division whose price for a product of equivalent quality is not less than his cost of making the product.

“The Divisional Committee shall have the power to suspend the operation of the provisions of this Article provided five days' notice is given the Administrator and the members of the Division, and to make provisions for the disposal of discontinued lines, seconds, and other sales to be excepted from the application of this Article.”

There shall be added an Article IV as follows:

"Learners may be employed for a period not exceeding four (4) weeks at a rate of not less than 80% of the minimum wages called for in the Code, provided that no employer may employ more than 10% of the total employees as learners, and provided further that any employer may be entitled to one learner at the above specified wage, and provided further that no employer can employ as a learner any employee who has been in the Division of the Industry within three years previous to the date of such employment."

Approved Code No. 226, Amendment No. 3.
Registry No. 299-50.



